



QUARTERLY STATEMENT
AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE
QCA Health Plan, Inc.

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	95448	Employer's ID Number	71-0794605
Organized under the Laws of	Arkansas		State of Domicile or Port of Entry	Arkansas		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	04/08/1996		Commenced Business	07/31/1996		
Statutory Home Office	12615 Chenal Parkway, Suite 300 (Street and Number)		Little Rock, AR, 72211 (City or Town, State, Country and Zip Code)			
Main Administrative Office	12615 Chenal Parkway, Suite 300 (Street and Number)		Little Rock, AR, 72211 (City or Town, State, Country and Zip Code)			
Mail Address	12615 Chenal Parkway, Suite 300 (Street and Number or P.O. Box)		Little Rock, AR, 72211 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	12615 Chenal Parkway, Suite 300 (Street and Number)		Little Rock, AR, 72211 (City or Town, State, Country and Zip Code)			
Internet Web Site Address	www.qualchoice.com		(501)228-7111 (Area Code) (Telephone Number)			
Statutory Statement Contact	Randall Crow (Name)		(501)219-5109 (Area Code)(Telephone Number)(Extension)			
	randall.crow@qualchoice.com (E-Mail Address)		(501)228-0135 (Fax Number)			

OFFICERS

Name	Title
Michael Edward Stock	President
Randall Alvin Crow	Treasurer
Linda DuPuis	Secretary #

OTHERS

Joni Self Daniels, Vice President-Operations
Betty Jo Tatum-Himes, Vice President - Sales & Marketing
Richard Parker Armstrong M.D., Vice President - Medical Affairs
Jon Foose, Vice President - Underwriting

DIRECTORS OR TRUSTEES

James Knox Hendren PhD
Joseph Patrick Searcy
Charles W. Smith M.D.
Joseph Maurice Elser M.D.
John P Schaefer
Buford Joseph Suffridge DDS, MS,PA
James Arden Tanner M.D.
Barbara Garner Williams RN, PhD
Raymond William Montgomery II
Michael Edward Stock

State of Arkansas
County of Pulaski ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Michael Edward Stock	Randall Alvin Crow	Linda DuPuis
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Treasurer	Secretary
(Title)	(Title)	(Title)
Subscribed and sworn to before me this	a. Is this an original filing?	Yes[X] No[]
day of , 2014	b. If no,	
	1. State the amendment number	
	2. Date filed	
	3. Number of pages attached	

(Notary Public Signature)

DIRECTORS OR TRUSTEES (continued)

Mark J. McGinnis

Anthony Johnson

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	9,870,508		9,870,508	10,886,739
2.	Stocks:				
2.1	Preferred stocks	1,500,000		1,500,000	1,500,000
2.2	Common stocks	8,216,623		8,216,623	6,940,624
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....16,589,335), cash equivalents (\$.....0) and short-term investments (\$.....0)	16,589,335		16,589,335	9,095,456
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets	5,635		5,635	5,634
9.	Receivables for securities				
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	36,182,101		36,182,101	28,428,453
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	12,230		12,230	30,592
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	193,330		193,330	971,519
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers				745,834
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans	824,178		824,178	435,524
18.1	Current federal and foreign income tax recoverable and interest thereon	91,426		91,426	91,426
18.2	Net deferred tax asset				
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				75,000
24.	Health care (\$.....0) and other amounts receivable	305,949	174,375	131,574	174,375
25.	Aggregate write-ins for other than invested assets	7,500,000		7,500,000	
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	45,109,214	174,375	44,934,839	30,952,723
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	45,109,214	174,375	44,934,839	30,952,723
DETAILS OF WRITE-INS					
1101.	rounding				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Accounts Receivable from Capital Contribution	7,500,000		7,500,000	
2502.	rounding				
2503.				
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	7,500,000		7,500,000	

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	13,515,163	1,201,539	14,716,702	13,286,998
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses	99,045		99,045	99,045
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act				289,895
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	4,510,141		4,510,141	2,252,565
9.	General expenses due or accrued	1,930,271		1,930,271	1,448,827
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	24,725		24,725	106,919
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				
20.	Reinsurance in unauthorized and certified (\$.....0) companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans	1,150,269		1,150,269	647,884
23.	Aggregate write-ins for other liabilities (including \$.....0 current)	2,100,507		2,100,507	(1)
24.	Total liabilities (Lines 1 to 23)	23,330,121	1,201,539	24,531,660	18,132,132
25.	Aggregate write-ins for special surplus funds	X X X	X X X	(547,800)	
26.	Common capital stock	X X X	X X X	2,454	2,454
27.	Preferred capital stock	X X X	X X X	25,500,046	25,500,046
28.	Gross paid in and contributed surplus	X X X	X X X	9,500,000	2,000,000
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	(14,051,161)	(14,681,549)
32.	Less treasury stock, at cost:				
32.10 shares common (value included in Line 26 \$.....0)	X X X	X X X	360	360
32.20 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	20,403,179	12,820,591
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	44,934,839	30,952,723
DETAILS OF WRITE-INS					
2301.	rounding	169,729		169,729	(1)
2302.	ACA Insurer Fees	1,930,778		1,930,778	
2303.				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	2,100,507		2,100,507	(1)
2501.	ACA tax estimate for 2015 fee year, 2014 data year	X X X	X X X	(547,800)	
2502.	X X X	X X X		
2503.	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X	(547,800)	
3001.	X X X	X X X		
3002.	X X X	X X X		
3003.	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	118,512	127,364	495,442
2.	Net premium income (including \$.....0 non-health premium income)	X X X	35,977,264	36,120,682	141,264,056
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X			
5.	Risk revenue	X X X			
6.	Aggregate write-ins for other health care related revenues	X X X			
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	35,977,264	36,120,682	141,264,056
Hospital and Medical:					
9.	Hospital/medical benefits	2,184,650	23,069,242	26,924,866	103,953,373
10.	Other professional services				
11.	Outside referrals				
12.	Emergency room and out-of-area	48,154	508,496	577,551	2,291,356
13.	Prescription drugs		4,632,547	4,911,326	20,092,493
14.	Aggregate write-ins for other hospital and medical				
15.	Incentive pool, withhold adjustments and bonus amounts				
16.	Subtotal (Lines 9 to 15)	2,232,804	28,210,285	32,413,743	126,337,222
Less:					
17.	Net reinsurance recoveries			264,237	2,454,464
18.	Total hospital and medical (Lines 16 minus 17)	2,232,804	28,210,285	32,149,506	123,882,758
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including \$.....983,593 cost containment expenses		1,721,782	1,455,920	6,518,243
21.	General administrative expenses		6,333,364	3,743,793	16,606,725
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)			(782,667)	(1,849,940)
23.	Total underwriting deductions (Lines 18 through 22)	2,232,804	36,265,431	36,566,552	145,157,786
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(288,167)	(445,870)	(3,893,730)
25.	Net investment income earned		51,798	24,751	270,614
26.	Net realized capital gains (losses) less capital gains tax of \$.....0		(36,187)	1,828	(20,022)
27.	Net investment gains or (losses) (Lines 25 plus 26)		15,611	26,579	250,592
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29.	Aggregate write-ins for other income or expenses			7,754	53,755
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	(272,556)	(411,537)	(3,589,383)
31.	Federal and foreign income taxes incurred	X X X	569,218		
32.	Net income (loss) (Lines 30 minus 31)	X X X	(841,774)	(411,537)	(3,589,383)
DETAILS OF WRITE-INS					
0601.	X X X			
0602.	X X X			
0603.	X X X			
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X			
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.				
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)				
2901.	rounding				
2902.	Miscellaneous Income/Expense			7,754	53,755
2903.	0				
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)			7,754	53,755

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	12,820,591	12,930,502	12,930,502
34.	Net income or (loss) from Line 32	(841,774)	(411,537)	(3,589,383)
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	356,167	290,522	1,128,665
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax	569,218		
39.	Change in nonadmitted assets	(1,019)	106,219	350,809
40.	Change in unauthorized and certified reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in	7,500,000		2,000,000
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus	(4)	(1)	(2)
48.	Net change in capital and surplus (Lines 34 to 47)	7,582,588	(14,797)	(109,911)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	20,403,179	12,915,705	12,820,591
DETAILS OF WRITE-INS				
4701.	Rounding	(4)	(1)	(2)
4702.	0			
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)	(4)	(1)	(2)

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance	38,723,134	36,375,009	138,460,951
2.	Net investment income	69,724	60,221	302,971
3.	Miscellaneous income	41,782	106,219	171,074
4.	TOTAL (Lines 1 to 3)	38,834,640	36,541,449	138,934,996
5.	Benefit and loss related payments	26,034,747	30,543,443	126,349,362
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	7,459,973	5,570,056	24,484,075
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		(290,522)	(1,128,665)
10.	TOTAL (Lines 5 through 9)	33,494,720	35,822,977	149,704,772
11.	Net cash from operations (Line 4 minus Line 10)	5,339,920	718,472	(10,769,776)
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds	1,988,755	2,312,187	5,663,966
12.2	Stocks	101,550	3,603	1,999,134
12.3	Mortgage loans			
12.4	Real estate			
12.5	Other invested assets			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7	Miscellaneous proceeds		1,828	
12.8	TOTAL investment proceeds (Lines 12.1 to 12.7)	2,090,305	2,317,618	7,663,100
13.	Cost of investments acquired (long-term only):			
13.1	Bonds	908,309	602,161	6,987,934
13.2	Stocks	1,121,349	748,734	5,298,633
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets			
13.6	Miscellaneous applications	2	290,531	1,128,105
13.7	TOTAL investments acquired (Lines 13.1 to 13.6)	2,029,660	1,641,426	13,414,672
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	60,645	676,192	(5,751,572)
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes			
16.2	Capital and paid in surplus, less treasury stock	7,500,000		2,000,000
16.3	Borrowed funds			
16.4	Net deposits on deposit-type contracts and other insurance liabilities			
16.5	Dividends to stockholders			
16.6	Other cash provided (applied)	(5,406,686)	(1,494,998)	(54,019)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	2,093,314	(1,494,998)	1,945,981
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	7,493,879	(100,334)	(14,575,367)
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	9,095,456	23,670,823	23,670,823
19.2	End of period (Line 18 plus Line 19.1)	16,589,335	23,570,489	9,095,456

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	41,256	7,593	33,134				529			
2. First Quarter	39,263	8,739	30,132				392			
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	118,512	26,488	90,883				1,141			
Total Member Ambulatory Encounters for Period:										
7. Physician	74,061	9,402	63,913				746			
8. Non-Physician	27,150	2,310	24,728				112			
9. Total	101,211	11,712	88,641				858			
10. Hospital Patient Days Incurred	1,560	87	1,447				26			
11. Number of Inpatient Admissions	311	28	278				5			
12. Health Premiums Written (a)	36,300,649	5,612,018	30,224,211				464,420			
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	36,300,649	5,612,018	30,224,211				464,420			
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	27,223,665	3,067,521	23,854,978				301,166			
18. Amount Incurred for Provision of Health Care Services	28,210,285	3,983,511	23,929,485				297,289			

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered	679,555	301,445	86,953	60,375	73,213	1,201,541
0399999 Aggregate Accounts Not Individually Listed - Covered	6,519,116	2,891,825	834,155	579,187	702,347	11,526,630
0499999 Subtotals	7,198,671	3,193,270	921,108	639,562	775,560	12,728,171
0599999 Unreported claims and other claim reserves						1,988,531
0799999 Total Claims Unpaid						14,716,702
0899999 Accrued Medical Incentive Pool And Bonus Amounts						

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1+3)	6 Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	18,878,112	8,044,387	1,457,456	13,123,329	20,335,568	13,147,204
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan	107,649	193,517	32,145	103,772	139,794	139,794
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid						
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	18,985,761	8,237,904	1,489,601	13,227,101	20,475,362	13,286,998
10.	Healthcare receivables (a)	281,000	679,700	174,375	401,574	455,375	1,093,565
11.	Other non-health						
12.	Medical incentive pools and bonus amounts						
13.	Totals (Lines 9 - 10 + 11 + 12)	18,704,761	7,558,204	1,315,226	12,825,527	20,019,987	12,193,433

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

QCA HEALTH PLAN, INC.

Notes to Financial Statements - Statutory Basis

(1) Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies used in the preparation of the accompanying financial statements. Such policies are in conformity with the Annual Statement Instructions and the Accounting Practices and Procedures Manual of the National Association of Insurance Commissioners ("NAIC") and the accounting practices as prescribed or permitted by the Arkansas Insurance Department and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents and Short Term Investments: The Company considers all cash accounts and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Certificates of deposit with a maturity of more than four months but less than one year are considered short term investments and are stated at cost.

Premiums Receivable: The Company uses the allowance method of accounting for uncollectible receivables. Premiums receivable represent medical premium revenue that has been billed and recognized as revenue, but has not been collected.

Investment Securities: Bonds and other debt instruments for which the Company intends to hold to until they mature are classified as held to maturity and are stated at cost adjusted for amortization of premiums and accretion of discounts computed by the interest method. Stocks and bond funds which have no set maturity date are classified as available for sale and are stated at fair market value.

Medical Claims Payable: Reported claims expected to be paid after the balance sheet date for services provided to members prior to the balance sheet date are recorded as liabilities. Claims for services provided to members during the financial reporting period which are unreported at the balance sheet date are estimated based on the Company's claims experience and recorded as liabilities. The amounts recorded are based upon estimates of the ultimate net cost of such services provided. These reserves are subject to continuous review by management and changes in estimates are reflected in earnings currently.

Income Taxes: Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due.

Notes to Financial Statement

Revenue: Medical premium revenue is recognized in the month in which members are entitled to receive health care services. Medical premiums collected in advance are recorded as unearned premium revenue.

Cost of Benefits Provided: Cost of benefits provided includes the costs of all medical services delivered to enrolled members of the Company and for whom the Company has recorded medical premium revenue during the reporting period. These costs include payments for specific medical services paid to physicians, hospitals, and other health care providers on a fee-for-service basis. Costs of benefits include claims paid, claims in process and pending, estimates of unreported claims and charges, and processing costs of those estimates at the end of the fiscal year for which the Company will be responsible. There are certain provider contracts within the network that contain various risk sharing arrangements, in which the unallocated withhold amounts for members who have not designated a primary care physician are returned to the Company as part of the settlement and administration of such risk sharing arrangements and accordingly are recorded as a reduction of cost of benefits provided.

Premium Tax: The state in which the Company does business requires the remittance of premium taxes based upon a percentage of billed premiums.

Advertising Costs: Advertising and promotions related expenses are charged to operations when incurred.

Non-Admitted Assets: Certain assets (principally pharmaceutical rebate receivables and deferred tax assets not expected to be realized within a 12 month period) designated as "non-admitted" are not included in the financial statements.

Accounting Estimates: The preparation of financial statements in conformity with the accounting practices described above requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

Gross Paid-in and Contributed Capital: Subsequent to March 31, \$7,500,000 in contributed capital was received by the company. On the March 31 filed financial statements a receivable was recorded for the additional capital contribution, and was satisfied by receipt of cash prior to the filing of the statutory financial statement. This contribution was treated as a Type I subsequent event in accordance with SSAP No. 9 and as such was considered an admitted asset based on the evidence of collection and approval of the Arkansas Insurance Commissioner.

(2) **Accounting Changes and Corrections of Errors**

None.

(3) **Business Combinations and Goodwill**

None.

(4) **Discontinued Operations**

None.

(5) **Investments**

No significant changes.

(6) **Joint Ventures, Partnerships and Limited Liability Companies**

No significant changes.

Notes to Financial Statement

(7) **Investment Income**

Realized losses and gains in Investment Income due to a realized loss or gain on the sale of ETF's are reported on the Income statement as required. Unrealized losses and gains are recorded on page 5.

(8) **Derivative Instruments**

None.

(9) **Income Taxes**

No significant changes.

(10) **Information Concerning Parent, Subsidiaries and Affiliates**

The Company received a contribution in capital of \$7,500,000. The contribution was recorded as an accounts receivable and as paid in capital. See Notes 1 and 22 for additional information.

(11) **Debt**

None.

(12) **Retirement Plans, Deferred Compensation and Other Postretirement Benefit and Compensated Absences and Other Postretirement Benefit Plans**

No significant changes.

(13) **Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

No significant changes.

(14) **Contingencies**

No significant changes.

(15) **Leases**

None.

(16) **Information About Financial Instruments With Off Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk**

None.

(17) **Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

None.

(18) **Gain or Loss To The Reporting Entity From Uninsured A&H Plans and The Uninsured Portion of Partially Insured Plans**

No significant changes.

(19) **Direct Premium Written/Produced By Managing General Agents/Third Party Administrators**

None

Notes to Financial Statement

(20) Fair Value Measurements

All investments are recorded at amortized cost, except for ETF's referenced in #5 above. ETF's are adjusted to market value on a monthly basis.

(21) Other Items

None.

(22) Events Subsequent

On April 8, 2014 CollabHealth Plan Services, Inc. submitted a Form A Statement regarding the acquisition of control or merger with QualChoice Holding, Inc. QualChoice Holdings, Inc. is the parent company of QCA Health Plan, Inc. and QualChoice Life and Health Insurance Company, Inc. CollabHealth, a wholly owned subsidiary of Catholic Health Initiatives, closed on a series of stock-purchase agreements to acquire QualChoice Holdings, Inc. On May 1, 2014 the transaction was approved. CollabHealth contributed new capital of \$7,500,000 to QCA Health Plan, Inc. Treatment of the capital contribution is discussed in Note 1.

(23) Reinsurance

No significant changes.

(24) Retrospectively Rated Contracts & Contracts Subject To Redetermination

None.

(25) Change In Incurred Claims and Claim Adjustment Expenses

None.

(26) Intercompany Pooling Arrangements

None.

(27) Structured Settlements

None.

(28) Health Care Receivables

No significant changes.

(29) Participating Policies

None.

(30) Premium Deficiency Reserves

There have been no changes in premium deficiency reserves since year end.

(31) Anticipated Salvage and Subrogation

None.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[] No[X]
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

If yes, attach an explanation.

Yes[] No[] N/A[X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2011
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2011
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/30/2013
- 6.4 By what department or departments?

Arkansas Insurance Department
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[] No[] N/A[X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

Yes[X] No[]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ 0
13. Amount of real estate and mortgages held in short-term investments:

\$ 0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

14.2 If yes, please complete the following:

Yes[X] No[]

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock	1,500,000	15,000,000
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other	5,634	5,635
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	1,505,634	15,005,635
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
16.3 Total payable for securities lending reported on the liability page

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's
offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a
custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F.
Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[] No[X]
Yes[] No[] N/A[X]

\$ 0
\$ 0
\$ 0

Yes[X] No[]

1 Name of Custodian(s)	2 Custodian Address
Arvest Asset Management	200 Commerce Dr. Ste. 100, Little Rock, AR
Stephens Bank Trust	111 Center Street, Little Rock, AR

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name,
location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

17.4 If yes, give full and complete information relating thereto:

Yes[] No[X]

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts,
handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
.....	Dennis Whitaker	200 Commerce Dr. Ste. 100 Little Rock, AR
.....	Alan Tedford	111 Center Street, Little Rock, AR

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

18.2 If no, list exceptions:

Yes[X] No[]

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	80.420%
1.2 A&H cost containment percent	2.710%
1.3 A&H expense percent excluding cost containment expenses	19.480%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
			NONE					

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Current Year to Date - Allocated by States and Territories

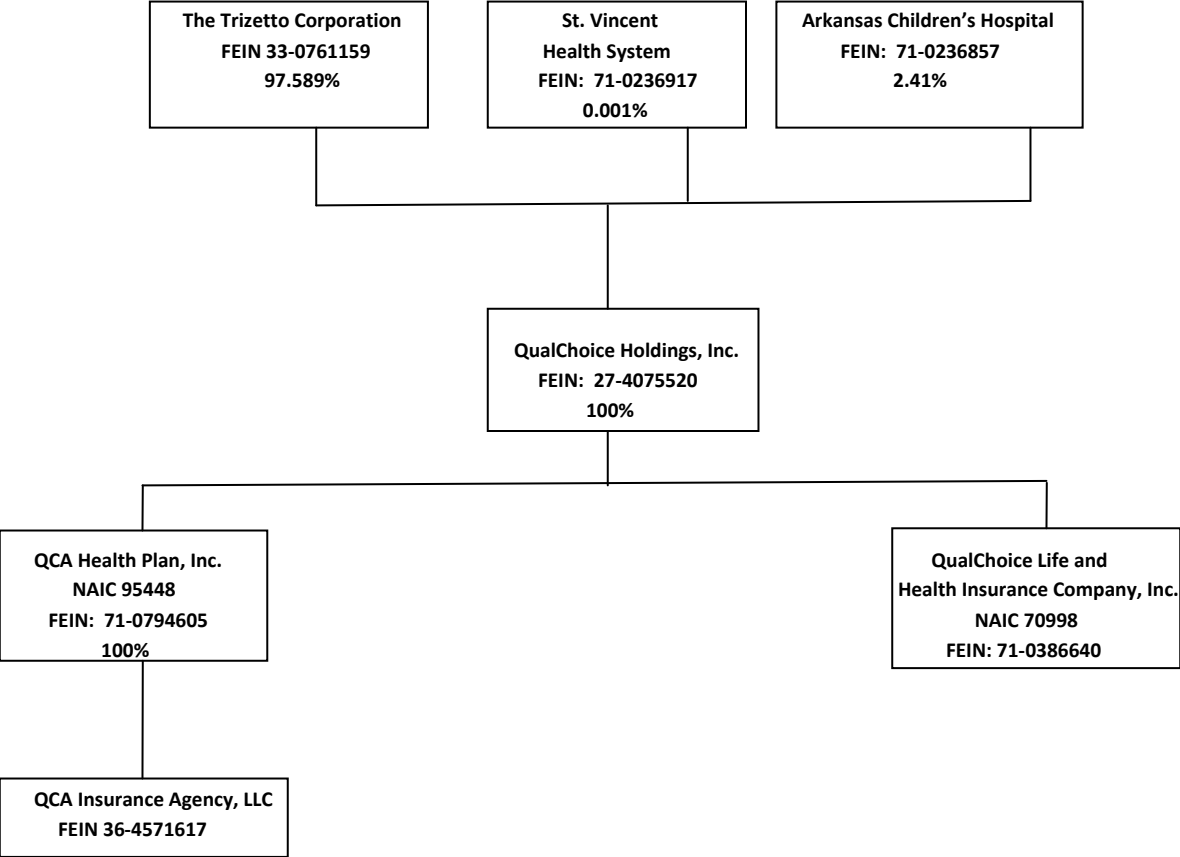
		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	L	35,836,229			464,420			36,300,649	
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	N								
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CAN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	35,836,229			464,420			36,300,649	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	Total (Direct Business)	(a)..... 1	35,836,229			464,420			36,300,649	
DETAILS OF WRITE-INS										
5801.	X X X								
5802.	X X X								
5803.	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

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SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Comp- any Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domic- iliary Loca- tion	Relation- ship to Report- ing Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
		00000												

NONE

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Asterisk	
0000001	

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
See Explanation

Explanations:
1. This company has no Medicare Part D Coverage. Therefore no supplement will be filed.

Bar Codes:

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other than temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest paid		
9.	Total foreign exchange change in book value/recorded investment		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	5,634	5,628
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)	1	6
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	5,635	5,634
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)	5,635	5,634

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	19,327,363	13,610,243
2.	Cost of bonds and stocks acquired	2,029,658	12,286,567
3.	Accrual of discount	1,442	2,910
4.	Unrealized valuation increase (decrease)	356,168	1,128,099
5.	Total gain (loss) on disposals	(36,187)	(20,023)
6.	Deduct consideration for bonds and stocks disposed of	2,090,305	7,663,100
7.	Deduct amortization of premium	1,008	17,333
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	19,587,131	19,327,363
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	19,587,131	19,327,363

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SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	10,886,740	908,309	2,003,365	51,140	9,842,824			10,886,740
2. NAIC 2 (a)								
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	10,886,740	908,309	2,003,365	51,140	9,842,824			10,886,740
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	10,886,740	908,309	2,003,365	51,140	9,842,824			10,886,740

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SI03 Schedule DA Part 1 NONE

SI03 Schedule DA Verification NONE

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

QE04

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
912828SS0	US Treasury Note		01/07/2014	Stephens Inc.	X X X	314,237	315,000	518	1FE
912828UJ7	US Treasury Note		03/13/2014	Stephens Inc.	X X X	148,266	150,000	152	1FE
912828SY7	US Treasury Note		03/13/2014	Stephens Inc.	X X X	148,699	150,000	268	1FE
0599999 Subtotal - Bonds - U.S. Governments					X X X	611,202	615,000	938	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)									
78464A474	Ishares Barclays 1-3 Year Treasury Bond		03/13/2014	Stephens Inc.	X X X	147,595	147,595		1FE
78464A375	SPDR Barclays Interm Term Corp Bond ETF		03/13/2014	Stephens Inc.	X X X	149,512	149,512		1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	297,107	297,107		X X X
8399997 Subtotal - Bonds - Part 3					X X X	908,309	912,107	938	X X X
8399999 Subtotal - Bonds					X X X	908,309	912,107	938	X X X
Common Stocks - Industrial and Miscellaneous (Unaffiliated)									
464287614	Ishares Trust Russell 1000 Growth Index		02/05/2014	Stephens Inc.	1,280.000	104,891	X X X		1FE
464287473	Ishares Russell Midcap Value		02/05/2014	Stephens Inc.	1,295.000	81,935	X X X		1FE
464287598	Ishares Trust Russell 1000 Value Index F		02/05/2014	Stephens Inc.	5,220.000	466,469	X X X		1FE
464287465	Ishares MSCI EAFE Index Fund		02/05/2014	Stephens Inc.	1,905.000	120,127	X X X		1FE
464287630	Ishares Trust Russell 2000 Value Fund		02/05/2014	Stephens Inc.	3,740.000	347,927	X X X		1FE
9099999 Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					X X X	1,121,349	X X X		X X X
9799997 Subtotal - Common Stocks - Part 3					X X X	1,121,349	X X X		X X X
9799999 Subtotal - Common Stocks					X X X	1,121,349	X X X		X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	1,121,349	X X X		X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	2,029,658	X X X	938	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

QE05

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
3137EABX6	Federal Home Loan Mortgage		01/07/2014	Stephens Inc.	X X X	60,000	60,000	60,270	60,000						60,000				653	01/07/2014	1FE
3137EABX6	Federal Home Loan Mortgage		01/07/2014	Stephens Inc.	X X X	125,000	125,000	125,563	125,000						125,000				1,361	01/07/2014	1FE
31398AVD1	Federal National Mortgage Association		02/05/2014	Stephens Inc.	X X X	60,000	60,000	60,960	60,014		14		14		60,000				712	02/05/2014	1FE
31398AVD1	Federal National Mortgage Association		02/05/2014	Stephens Inc.	X X X	125,000	125,000	127,000	125,030		30		30		125,000				1,483	02/05/2014	1FE
31398AVZ2	Federal National Mortgage Association		03/13/2014	Stephens Inc.	X X X	60,000	60,000	60,690	60,024		24		24		60,000				1,158	03/13/2014	1FE
31398AVZ2	Federal National Mortgage Association		03/13/2014	Stephens Inc.	X X X	125,000	125,000	126,438	125,051		51		51		125,000				2,412	03/13/2014	1FE
3137EABX6	Federal Home Loan Mortgage		01/07/2014	Stephens Inc.	X X X	100,000	100,000	100,360	100,000						100,000				1,089	01/07/2014	1FE
31398AVD1	Federal National Mortgage Association		02/05/2014	Stephens Inc.	X X X	100,000	100,000	101,470	100,022		22		22		100,000				1,187	02/05/2014	1FE
31398AVZ2	Federal National Mortgage Association		03/13/2014	Stephens Inc.	X X X	100,000	100,000	101,100	100,041		41		41		100,000				2,154	03/13/2014	1FE
3137EABX6	Federal Home Loan Mortgage		01/07/2014	Stephens Inc.	X X X	25,000	25,000	25,365	25,000						25,000				312	01/07/2014	1FE
0599999 Subtotal - Bonds - U.S. Governments					X X X	880,000	880,000	889,216	880,182		182		182		880,000				12,521	X X X	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
464287242	Ishares Iboxx \$ Investment Grade Corp Bo		02/05/2014	Stephens Inc.	X X X	8,689	9,133	9,133	9,133						9,133		(445)	(445)	79		1FE
92206C870	Vanguard Interim Term Corp Bond Fund		02/05/2014	Stephens Inc.	X X X	259,563	272,537	272,537	272,537						272,537		(12,974)	(12,974)	1,241		1FE
92206C409	Vanguard Short Term Corp Bond Fund		02/05/2014	Stephens Inc.	X X X	254,787	256,390	256,390	256,390						256,390		(1,603)	(1,603)	709		1FE
464287457	Ishares Barclays 1-3 Year Treasury Bond		02/05/2014	Stephens Inc.	X X X	585,717	585,305	585,305	585,305						585,305		412	412	360		1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	1,108,756	1,123,365	1,123,365	1,123,365						1,123,365		(14,610)	(14,610)	2,389	X X X	X X X
8399997 Subtotal - Bonds - Part 4					X X X	1,988,756	2,003,365	2,012,581	2,003,547		182		182		2,003,365		(14,610)	(14,610)	14,910	X X X	X X X
8399999 Subtotal - Bonds					X X X	1,988,756	2,003,365	2,012,581	2,003,547		182		182		2,003,365		(14,610)	(14,610)	14,910	X X X	X X X
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
922042858	Vanguard FTSE Emerging Markets ETF		02/05/2014	Stephens Inc.		2,270,000	84,982	X X X	109,051						109,051		(24,069)	(24,069)		X X X	1FE
464287481	Ishares Russell Midcap Index Growth Fund		02/05/2014	Stephens Inc.		205,000	16,568	X X X	14,076						14,076		2,492	2,492		X X X	1FE
9099999 Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					X X X	101,550	X X X	123,127	123,127						123,127		(21,577)	(21,577)		X X X	X X X
9799997 Subtotal - Common Stocks - Part 4					X X X	101,550	X X X	123,127	123,127						123,127		(21,577)	(21,577)		X X X	X X X
9799999 Subtotal - Common Stocks					X X X	101,550	X X X	123,127	123,127						123,127		(21,577)	(21,577)		X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	101,550	X X X	123,127	123,127						123,127		(21,577)	(21,577)		X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	2,090,306	X X X	2,135,708	2,126,674		182		182		2,126,492		(36,187)	(36,187)	14,910	X X X	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D Section 1 NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity NONE

E10 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E11 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	During Current Quarter			*
							6	7	8	
							First Month	Second Month	Third Month	
open depositories										
Arvest Bank Trust	P.O. Box 1583, Little Rock, AR 72203						7,889	7,889	8,181	X X X
Arvest Bank	P.O. Box 1583, Little Rock, AR 72203						7,236,456	8,128,518	9,839,387	X X X
Stephens Bank Trust	111 Center St. Little Rock, AR 72201						57,415	455,458	191,890	X X X
Arvest Bank Non-negotiable CD	P.O Box 1583, Little Rock, AR 72203			0.010	10,780		5,053,400	5,053,400	5,064,180	X X X
Bank of the Ozarks							108,629	702,323	1,485,697	X X X
0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories			X X X	X X X ..						X X X
0199999 Totals - Open Depositories			X X X	X X X ..	10,780		12,463,789	14,347,588	16,589,335	X X X
suspended depositories										
.....									
.....									
.....									
.....									
.....									
.....									
.....									
0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories			X X X	X X X ..						X X X
0299999 Totals - Suspended Depositories			X X X	X X X ..						X X X
0399999 Total Cash On Deposit			X X X	X X X ..	10,780		12,463,789	14,347,588	16,589,335	X X X
0499999 Cash in Company's Office			X X X	X X X ..	X X X	X X X ..				X X X
0599999 Total Cash			X X X	X X X ..	10,780		12,463,789	14,347,588	16,589,335	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents

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